

Built to Learn Act of 2020

(2020 Md. Laws, Chap 20)

Impact on IAC Programs

Presentation to the Interagency Commission on School Construction

March 11, 2021

[Legislation Text](#)

2 New School Construction Funding

- 2.2 billion in revenue bonds sold by MSA

Anne Arundel	12.5%	\$275 million
Baltimore City	21%	\$462 million
Baltimore County	21%	\$462 million
Frederick County	5.1%	\$112.2 million
Howard County	6.6%	\$145.2 million
Montgomery County	21%	\$462 million
Everyone Else	11.5%	\$253 million
MSA	1.3%	\$28.6 million

- MSA and IAC must enter into “Program” MOU (must be executed before bond sale)
- MOUs between MSA and LEA are required for each project
- Can be used in combination with other programs
- Projects are required to comply with IAC regulations
- MSA administers all projects unless they give permission to the LEA to execute
- Bonds can be issued immediately
- Debt Service cannot exceed \$100 million

Project Approval and Prioritization

Econ. Dev. §10-650

- IAC required to approve Built to Learn funding on a rolling basis
- First projects approved should be CIP “B” status projects
- Cannot reimburse for a facility that has been completed
- Projects that began after June 1, 2020 are eligible for reimbursement
- Allocations not used within 10 years can be reallocated (to any County)
- Allocations limited to *eligible* expenditures
- 50% counties that are forward funded get 150% of the GAB

- Annually on January 15, MSA must report on Gov and GA on status of program
- Before July 1, 2030, MSA must complete a 10-year evaluation on the effectiveness of the program
- Before December 31, 2030, IAC must submit a report on MSA's Evaluation

Program Reporting

Econ. Dev. §10-649

Eligible Costs

Ed. Art. §5-303(a)(4)

- Requires the IAC to adopt regulations that include the following as eligible for projects that receive planning approval
 - A/E Fees
 - Consulting
 - Planning Costs
- Requires the IAC to define FF&E eligibility for furniture with a median useful life of at least 15 years
- These requirements are for ALL IAC projects, not just for those funded through new funding sources.

State/Local Cost Shares

Ed. Art. §5-303(d)(3)

- Requires that COMAR include actual State and local Cost share percentages to be updated every 2 years
- Requires that the adopted percentages be produced by the formula

- A county with a median household income in the bottom quartile and for which the state share is 50% is eligible for an adjustment to the local cost share. Under these circumstances, the local cost share shall be reduced to the same as the adjacent county less than but closest to 50%.
 1. At this time, this provision applies only to Garrett County
 2. Garrett's State cost share will increase from 50% to 89% (Allegany's current cost share).

Alterations to State Cost Share

Ed. Art. §5-303(k)

- Reduces EGRC Threshold from 300 to 250 relocatable classrooms
- First \$40 million allocated per usual
- Funding over \$40 million allocated based upon proportional share of enrollment growth above Statewide average
- After FY 2026, mandatory allocation increases from \$40 to \$80 million

Enrollment Growth and Relocatable Classroom Program (EGRC)

Ed. Art. §5-313

- By July 1, 2022, PGs must enter into P3 (6 school minimum) that is reviewed by MSA and approved by IAC
- If successful, \$25million/yr is allocated beginning in FY24 to support the P3
- By January 15 annually, IAC and PGs must jointly report on P3 Program
- By July 1, 2027, IAC must complete a 5-year evaluation on effectiveness of the agreement
- By December, 2027 IAC must report to the General Assembly on the results of the evaluation

Prince George's P3s

Ed. Art. §4-126.1

Assessment and AFWG

Ed. Art. §5-310

- Reconstitutes and extends the Assessment and Funding Workgroup
- Workgroup's task is to decide if and how the relative condition of schools as determined by the SFA should be used in funding decisions
- The Workgroup's Final Report is due December 1, 2021
- Based on those recommendations, IAC has to adopt regulations on the use of assessments in school construction funding decisions, not before May 1, 2022 for use no sooner than FY 23

Healthy School Facility Fund

Ed. Art. §5-322

- Original program was limited to \$30m in FYs 20 and 21
- Built to Learn Act adds
 - \$40 m in FY 23 and \$40 in FY 24
 - For FYs 21 through 24, 50% must go to Baltimore City
 - Expands eligible projects to “any additional severe issues in the school that required the school to be closed

Priority Fund

Ed. Art 5-326

- Creates the Public School Facilities Priority Fund
- Once SFA is completed, results of SFA are used to address facility needs of highest priority schools
 - If SFA not completed, funding goes to HSFF
- Requires the allocation of \$40m per year in Fiscal Years 25 and 26
- Requires the allocation of \$80m FY 27 and every year after
- Supplements, not supplants, other programs

- Allows the IAC to adopt regulations that require the use of a standard CMMS System

Computerized Maintenance Management System (CMMS)

Ed. Art. §5-303(d)(2)

Life Cycle Costs

Ed. Art. §5-325

- IAC (or MSA if a vendor is contracted) required to evaluate life cycle costs of public school facilities over a 50 year period
 - An evaluation of cost and efficiency of alternative energy systems including:
 - Geothermal
 - Wind
 - Energy storage
 - An energy consumption and systems replacement analysis of each major piece of equipment in specified systems:
 - Cooling system
 - Heating system
 - Hot water system
 - Lighting system
 - Ventilation system
 - Any other major system that uses energy
- Evaluation must be submitted to the General Assembly on or before October 1, 2023
- On October 1 2020, 2021, and 2022, IAC or MS must provide update on effort to GA

- MSDE, IAC, and MSA are to collaborate with LEAs and community colleges to develop a CTE program or apprenticeship pathways in school building maintenance that leads to an industry recognized certificate or credential

CTE Program

Ed. Art. §21-207

Questions?

